TOP NEWS

Montgomery County Council finalizes \$3.9B budget

Karl B. Hille, The Examiner May 19, 2006 7:00 AM (4 days ago)

Montgomery County -

The Montgomery County Council approved a \$3.9 billion budget Thursday, despite fears it might be too hard to sustain growth several years down the road.

The budget increases spending by 8 percent and offers some tax breaks. But Council Vice President Marilyn Praisner said County Executive Douglas Duncan's revenue projections were "not balanced," and even that document indicated growing budget gaps two or three years off.

"If the out years are already in trouble," said Prasner, "increasing the budget at this time just exacerbates the problem."

She said tightened accountability standards for local governments will take effect next year requiring better accounting of retiree health benefits.

The county work force, accounting for 80 percent of the budget, has grown too quickly, said Marvin Weinman, president of the Montgomery County Taxpayers League.

The budget adds nearly 900 full-time positions, bringing the county work force to more than 30,000.

"They spent two hours talking about a \$200,000 grant for a parking lot, but completely ignored compensation," Weinman said. "They're going to have to feed them and pay them over the long term."

While increasing county spending by 8 percent, the budget also reduces property taxes 5 cents from 95 to 90 cents per \$100 in assessed value. The budget includes a \$221 tax rebate for owner-occupied homes.

The cut and rebate took \$122.5 million out of the budget, keeping the county within voter-imposed tax limits.

The council also approved a six-year construction budget of \$1.3 billion. The so-called capital improvements program fully funds the school system's construction request and increases money for transportation initiatives, fire and police stations and maintenance.

The council will formally vote next week on the budget, which then heads to Duncan for the county executive's signature.

The new fiscal year begins July 1.

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